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and J.C. Penney Company, Inc.*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

**MIROGLIO, S.P.A. and COAST TO COAST
FABRICS, INC.,**

Plaintiffs,

-against-

**LA BELLE FASHIONS, INC. and J.C. PENNEY
COMPANY, INC.,**

Defendants.

Index No. 07cv2882

ANSWER

JURY TRIAL DEMANDED

Defendant, La Belle Fashions, Inc. ("La Belle") and J.C. Penney Company, Inc. ("J.C. Penney"), by their attorneys, Pryor Cashman LLP, as and for their Answer to the Complaint of Miroglio, S.P.A. ("Miroglio") and Coast To Coast Fabrics, Inc. ("Coast to Coast," collectively the "Plaintiffs") dated April 4, 2007 (the "Complaint"), hereby allege as follows:

1. The allegations set forth in Paragraph "1" of the Complaint call for a legal conclusion to which no response is required.
2. The allegations set forth in Paragraph "2" of the Complaint call for a legal conclusion to which no response is required.

3. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “3” of the Complaint.

4. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “4” of the Complaint.

5. Admit the allegations set forth in Paragraph “5” of the Complaint.

6. Deny the allegations set forth in Paragraph “6” of the Complaint, except admit that La Belle is a manufacturer and distributor of apparel.

7. Admit the allegations set forth in Paragraph “7” of the Complaint.

8. Deny the allegations set forth in Paragraph “8” of the Complaint, except admit that J.C. Penney is a distributor of apparel.

9. Deny the allegations set forth in Paragraph “9” of the Complaint, except admit that they transact business within this district and derive substantial revenue from intrastate and interstate commerce.

10. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “10” of the Complaint.

11. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “11” of the Complaint.

12. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “12” of the Complaint.

13. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “13” of the Complaint.

14. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “14” of the Complaint.

15. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “15” of the Complaint.

16. Deny knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph “16” of the Complaint.

17. Deny the allegations set forth in Paragraph “17” of the Complaint.

18. Deny the allegations set forth in Paragraph “18” of the Complaint.

19. Deny the allegations set forth in Paragraph “19” of the Complaint.

20. Deny the allegations set forth in Paragraph “20” of the Complaint.

FIRST AFFIRMATIVE DEFENSE

21. Plaintiffs fail to state a cause of action upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

22. Plaintiffs’ claims are barred, in whole or part, by the doctrines of estoppel, laches or waiver.

THIRD AFFIRMATIVE DEFENSE

23. Plaintiffs’ design and the allegedly infringing work are not substantially similar.

FOURTH AFFIRMATIVE DEFENSE

24. La Belle acted in good faith and without knowledge that any of the goods it sold were violative of any copyright and, therefore, if the goods are violative of any copyright, then La Belle is an innocent infringer.

Dated: New York, New York
June 12, 2007

PRYOR CASHMAN LLP
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Inc. and J.C. Penney Company, Inc.

By: /s/
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